

(A) MAINTENANCE OF ACCOUNT.

A REAL ESTATE BROKER SHALL MAINTAIN TRUST MONEY IN AN ACCOUNT AUTHORIZED UNDER THIS PART I OF THIS SUBTITLE UNTIL:

(1) THE REAL ESTATE TRANSACTION FOR WHICH THE TRUST MONEY WAS ENTRUSTED IS CONSUMMATED OR TERMINATED; OR

(2) THE REAL ESTATE BROKER RECEIVES PROPER WRITTEN INSTRUCTIONS FROM THE OWNER AND BENEFICIAL OWNER DIRECTING WITHDRAWAL OR OTHER DISPOSITION OF THE TRUST MONEY; OR

(3) ON AN INTERPLEADER FILED BY THE REAL ESTATE BROKER, A COURT ORDERS A DIFFERENT DISPOSITION.

(B) ACCOUNTING.

WHEN THE DUTY OF THE REAL ESTATE BROKER TO MAINTAIN TRUST MONEY IN AN ACCOUNT TERMINATES, THE REAL ESTATE BROKER PROMPTLY SHALL ACCOUNT FOR ALL TRUST MONEY.

(C) DISPOSITION ON DIRECTION OF SELLER OR PURCHASER.

EXCEPT FOR TRUST MONEY THAT A REAL ESTATE BROKER HAS DEPOSITED IN AN ACCOUNT ESTABLISHED UNDER § 4-506 OF THIS SUBTITLE THAT EARNS INTEREST PAYABLE TO THE MARYLAND HOUSING RESOURCE CORPORATION, A REAL ESTATE BROKER MAY INVEST TRUST MONEY:

(1) AS THE OWNER OR AND BENEFICIAL OWNER OF THE TRUST MONEY ~~INSTRUCTS~~ INSTRUCT IN WRITING; OR

(2) AS THE REAL ESTATE BROKER ~~AND--THE--OWNER--OR,~~ OWNER, AND BENEFICIAL OWNER OF THE TRUST MONEY AGREE IN WRITING.

SUBCOMMITTEE COMMENT: Subsections (a)(1) and (2), (b), and (c) of this section are new language derived without substantive change from former Art. 56, § 227A-1(c)(2) and the second sentence of § 227A(a).

Subsection (c)(3) of this section is new language added to provide another method for disposition of trust money. This addition conforms to practice in the industry.

In subsection (a) of this section, the language of former Art. 56, § 227A(a) that provided an exception for participation in the Housing Resource Fund program is deleted as erroneous. The duties set forth in this section apply even if the trust money is deposited in an account that earns interest for the benefit of the Housing Resource Fund.